

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



INDIANA GOVERNMENT CENTER NORTH
100 NORTH SENATE AVENUE N1058(B)
INDIANAPOLIS, IN 46204
PHONE (317) 232-3777
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October 31, 2008

Marian Redmond-Ivey
Lake County Board of Commissioners Secretary
Lake County Government Center
2293 North Main Street
Crown Point, Indiana 46307

Re: Lake County / Nexus Group, Inc. October 8, 2008 Contract for Annual Adjustments

Dear Ms. Redmond-Ivey:

Enclosed is one copy of the above referenced contract. I have retained one copy of the contract, and pursuant to Section 43 of the contract the obligation to provide the Department of Local Government Finance (the "Department") with a copy of the contract within forty-five (45) days is satisfied.

The contract did not have as an exhibit the Work Plan, and Mr. Frank Kelly of Nexus supplied me with a copy of the Work Plan. I have attached the Work Plan to the copy of the contract I am sending to you. When you receive a copy of the document, please forward to me a copy of the insurance declaration page showing the County and the Department as additional insureds and setting forth the amounts of the coverage.

Please let me know if you need anything from me. Thank you for your attention to this matter.

Very Truly Yours,

Charles V. Traylor
Staff Attorney

Enclosure

CC: Cheryl A. W. Musgrave,
Commissioner, DLGF, w/o enclosure
Peggy Holinga Katona,
Lake County Auditor, w/o enclosure
Paul G. Karras,
Lake County Assessor, w/o enclosure
Timothy J. Rushenberg,
General Counsel, DLGF, w/o enclosure
Frank Kelly,
President, Nexus Group, Inc., w/o enclosure

CONTRACT FOR ANNUAL ADJUSTMENTS

This Contract is entered into this day of October 8, 2008 by and between Nexus Group, Inc (the "Contractor"), the County Assessor and the Board of County Commissioners of Lake County, Indiana (hereinafter jointly and severally the "Assessor"), and the Department of Local Government Finance, a party for the limited purposes of approving the employment of the Contractor and exercising statutory oversight pursuant to I.C. 6-1.1-4-17(a).

RECITALS

- A. The Assessor has determined it is in the County's best interest to employ the Contractor as a technical advisor pursuant to the provisions of I.C. 6-1.1-4-17 for the purpose of completing annual adjustments as required by I.C. 6-1.1-4-4.5 and 50 IAC 21;
- B. The Assessor has advertised for bids as required by I.C. 6-1.1-4-18.5 and has fulfilled all other statutory conditions precedent to the employment of a technical advisor;
- C. The Contractor is a Professional Appraiser as the term is defined in I.C. 6-1.1-4-17(c) and I.C. 6-1.1 -31.7, is certified by the Department pursuant to 50 IAC 15-4 and was the lowest and best bidder meeting all the requirements under law for serving as a technical advisor in the assessment of Property;
- D. The Assessor is awarding the bid to the Contractor, and the Contractor is willing to contract with the Assessor subject to the terms and conditions of this Contract;
- E. This Contract is subject to the provisions of 50 IAC 15, and the Contractor will comply with the provisions of 50 IAC 15 in connection with this Contract; and
- F. The Department has final approval authority for the employment of Contractor pursuant to this Contract, and, as a signatory to the Contract, has the right to exercise its statutory right of oversight of the performance of the Contractor as contemplated by I.C. 6-1.1-4-17(a).

AGREEMENT

In consideration of the promises, mutual covenants and obligations of the parties, the Assessor, the Department and the Contractor agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are adopted by the parties as being true and accurate statements, and are hereby incorporated as binding representations of this Contract.

2. Duties of the Contractor.

A. The Contractor shall provide technical assistance to the Assessor in connection with the determination of annual adjustments to real property in Lake County for the Assessment Year of 2008, as requested and assigned by the authorized designee of the Assessor, under the terms and provisions of this Contract, in accordance with and furtherance of all rules governing annual adjustments and the assessment of real property promulgated by the Department, and all other applicable laws, statutes, ordinances, or administrative rules.

B. The class(es) of property to be reviewed by the Contractor under this Contract is/are limited to (by township):

Calumet, Cedar Creek, Eagle Creek, Center, Hanover, Hobart, North, West Creek, Winfield – vacant and improved agricultural, vacant and improved residential, vacant and improved commercial, vacant and improved industrial, vacant and improved industrial, vacant and improved exempt.

Ross & St. John – none.

C. For the class(es) of property listed in paragraph 2(b) of this Contract the Contractor will complete all responsibilities imposed upon an assessing official under I.C. 6-1.1-4-4.5 and 50 IAC 21 regarding annual adjustments and the completion of required ratio studies, unless specifically retained by the Assessor as listed in paragraph 3 of this Contract, including but not limited to:

- (1) Perform ratio studies using the methods or combination of methods acceptable under the Standard on Ratio Studies published by the International Association of Assessing Officials ("IAAO") or other acceptable appraisal methods approved by the Department.

- (2) Use a valuation date of January 1 of the year proceeding the year of the assessment date.

- (3) Use verified sales of properties occurring within two (2) calendar years preceding the relevant valuation date in performance of the ratio studies.

- (a) Sales occurring before or after the assessment date shall be trended if appropriate, in accordance with the IAAO standard and the time adjusted sales price shall become the basis for all ensuing analysis.

- (b) If available sales data are insufficient to satisfy the IAAO standard, the Contractor may use sales from earlier or more recent time periods, or both, by adjusting and time trending the sales data as described in the IAAO standard.

- (c) If the Contractor determines that there are insufficient commercial and/or industrial improved property sales in order to determine an annual adjustment factor the Contractor shall review one (1) or more of the following to derive an annual adjustment factor:

- (i) Marshall and Swift cost and depreciation tables from the last quarter of the calendar year preceding the assessment date.

- (ii) Income data, rental data, market value appraisals, and other relevant evidence derived from appeals of the most recent assessment date and adjusted, as applicable, to January 1 of the year preceding the assessment date.
 - (iii) Commercial real estate reports.
 - (iv) Governmental studies.
 - (v) Census data.
 - (vi) Multiple listing services (MLS) data.
 - (vii) The independent study performed by the Indiana Fiscal Policy Institute.
 - (viii) Other information or data to determine an annual adjustment factor.
- (4) Review all neighborhood delineations for the specified class(es) of property established for the most recent assessment date to determine if any adjustments or alterations are desirable.
- (5) Review all land values for the specified class(es) of property established for the most recent assessment date to determine if any modifications are needed in order to promote uniform and equal assessments.
- (6) Review ratio studies for each listed property class and examine the coefficient of dispersion and price related differential to determine if an annual adjustment factor should be applied and determine the appropriate annual adjustment factor if required.
- (7) After any annual adjustment factor is applied, the Contractor shall complete an additional ratio study and provide the results of the ratio study to the Assessor and the Department in the manner and format specified in 50 IAC 14-5-1 through 50 IAC 14-5-3.
- (8) Notify the Assessor and the Department if any ratio study reveals a coefficient of dispersion and/or price related differential that is outside the appropriate ranges set in 50 IAC 21-11-1 and recommend appropriate actions to address any identified irregularities in accordance with the procedures set forth in 50 IAC 21.
- (9) Conduct any required stratifications and perform ratio studies for each strata until the Contractor determines the properties that are causing a coefficient of dispersion and/or price related differential that is outside of the acceptable range and then make necessary refinements to the valuation for all similarly situated properties.

D. All direct assessment activities, those activities necessary to make the actual valuation of the property, must be performed by a level two assessor-appraiser certified under I.C. 6-1.1-35.5. All work performed under this Contract must be organized, supervised, or reviewed by a level two assessor-appraiser certified under I.C. 6-1.1-35.5. The Contractor's employees without level two assessor-appraiser certification(s) shall perform no work of any type.

E. No administrative personnel employed by the Contractor may be used to fulfill any duties without level two assessor-appraiser certification(s).

3. Responsibilities of the Assessor. The Contractor will not be responsible for the duties contained in 50 IAC 21 that are retained by the Assessor for performance by the Assessor's staff or are contracted by the Assessor to a third party, as follows:

A. Duties retained by the Assessor for performance by the Assessor's staff:

(1) All annual adjustment activities specified in 50 IAC 21 and elsewhere for all parcels in Ross Township and St. John Township.

(2) If any annual adjustment is applied, send notices of assessment to each affected taxpayer pursuant to I.C. 6-1.1-4-22(a),

B. No duties of the Contractor are to be contracted to a third party. No other duties of the Assessor set forth in 50 IAC 21 shall be contracted with a third party.

4. Final Authority To Determine Adjustment Factor. The final determination of the appropriate adjustment factors and assessed values are and shall remain the responsibility of the Assessor.

5. Contract Representative. The Assessor shall be the Contract Representative to serve as the primary contact person under the Contract.

6. Contractor Employees – Project Manager. The Contractor shall assign by name an Indiana Level II County Assessor/Appraiser as project manager. The assigned Indiana Level II County Assessor/Appraiser shall be Frank S. Kelly and the current contact information for the assigned person is:

Address: 2021 E. 52nd Street, Suite 106

Indianapolis, IN 46205

Work tel: 317-753-0004

Email: frank@nexustax.com

DLGF Student ID #: 1625

Date of issuance of Level II County Assessor/Appraiser Certificate: 1999

7. Work Plan. Attached hereto, and incorporated fully herein as Exhibit A is the Work Plan developed and approved by the Contractor and the Assessor setting forth the schedule for the completion of work under this Contract. The Contractor and the Assessor warrant and represent that the Work Plan ensures that all values generated by any form of annual adjustment under this Contract will be completed before such values are required by the Department in order to set tax rates.

8. Performance Bond. No performance bond shall be required of the Contractor under the terms of the Contract.

9. Identification. All field personnel involved with performance of work for the Contractor shall carry identification cards, which will include a photograph of the individual and the Assessor's signature. All automobiles used by field personnel shall be marked appropriately and registered with the County Sheriff's office, with local police departments located within the county, and with the Assessor's office.

10. Office Space; Computer Support. The Assessor shall not be responsible for providing the Contractor with office space or computer support in connection with the performance of this Contract, except as specifically set forth in the Work Plan attached hereto as Exhibit A.

11. Work Product Delivery. The Contractor shall be responsible for the delivery of the following products to the Assessor at the completion or termination of this Contract, including all medium in which the materials may be retained:

- A. documentation of procedures used throughout the reassessment program;
- B. any and all training materials and manuals used to train the Contractor's staff;
- C. all field worksheets for each parcel of real property;
- D. all maps and/or other information provided for the Contractor by the Assessor;
- E. all information gathered, created, or reviewed for the verification of sales disclosure; forms, neighborhood delineations, land values, and/or any time adjustments to sales prices, and
- F. all ratio studies and supporting documentation.

12. Contractor Support for Appeals. The duties of Contractor in this paragraph shall last until all appeals have been resolved, regardless of the earlier termination of this Contract.

A. The Contractor shall provide five (5) consecutive eight hour business days for support of values after mailing of Notices of Assessment, Form 11s, utilizing personnel familiar with the entire annual adjustment process, including re-inspection of property or explanation of ratio studies as may be needed at an hourly rate of \$105.00. Days required above the five (5) Consecutive eight hour business days shall be provided at the request of the Assessor at a rate of (\$105.00) per hour.

B. If an assessed value and/or annual adjustment factor recommended by the Contractor is appealed to any reviewing body, the Contractor or its employee or representative shall, if at least three (3) business days notice is given to the Contractor, appear at any hearing scheduled on the appeal of the parcel to explain its calculations and defend the recommendation. A fee of (\$ 105.00) per hour shall be paid to the Contractor for services rendered in connection with the assistance on the appealed parcel. This duty of the Contractor shall terminate when all appeals have been resolved.

13. Consideration. The Assessor shall pay the Contractor as a fee of \$281,000.00 in full payment for the complete performance of all duties, responsibilities and activities set out in this Contract and on the Work Plan mutually agreed to under paragraph 7 of this Contract to be attached as Exhibit A. The fee and any additional payments for requested

services shall be paid in the manner set forth in paragraph 15 below. This contract has a maximum payment limit not to exceed \$336,000.00. In the event of cancellation of this Contract by the Department, or reasonably attributed to actions of the Department, the Contractor shall receive a termination fee of fifty percent (50%) of the total consideration, plus a percentage payment of work-to-date. In no event shall the termination fee exceed the maximum payment specified above.

14. Condition of Payment. All services provided by the Contractor must be performed to the reasonable satisfaction of the Assessor and the Department, as determined at their sole discretion and in reliance upon all applicable federal, state, local laws, ordinances, rules and regulations. The Assessor shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of federal, state or local statute, ordinance, rule or regulation, to the extent that this does not conflict with the payment of a termination fee specified above.

15. Time and Manner of Payment. The Contractor shall be paid as follows:

A. At the end of each month, the Contractor shall submit a claim for payment for work completed under the Contract during that month. The amount of each monthly payment is subject to the completion percentage requirements set forth in the Work Plan, subject to approval by the Assessor, and is subject to full compliance with all other obligations under this Contract. Approval shall be based on the monthly progress reports submitted by the Contractor and on the Assessor's inspection of the Contractor's assessment records, and the submission of the reports to the Board of County Commissioners. Payment shall be made to the Contractor within thirty (30) days after approval by the Assessor.

B. If all work is not completed under this Contract by the completion date specified in paragraph 18 of this Contract or if all required data is not submitted to the Department in the appropriate format in a timely manner, then all further payments may be suspended until all work has been satisfactorily completed and approved by the Assessor and as otherwise required under this Contract. Payments of the suspended amount will be made to the Contractor within thirty (30) days after that approval by the Assessor, subject to other terms of this Contract.

16. Penalties. Pursuant to I.C. 6-1.1-4-19.5(b)(2), payments due under this Contract shall be reduced by the amount of (\$ 100.00) per business day that any part of the performance by the Contractor remains incomplete after the due date specified in this Contract.

17. Professional Appraiser Certification; Contract Void on Revocation.

A. A material inducement for entering into this Contract is that the Contractor has been certified as a "Professional Appraiser" under I.C. 6-1.1-31.7 and 50 IAC 15-4 in order to enter into this Contract. The Contractor represents and warrants that Nexus Group, Inc. is certified as a "Professional Appraiser" at the time of entering into this Contract.

B. Contractor will take all steps necessary to maintain such certification throughout the term of this Contract. Contractor shall immediately notify the Assessor and the Department in writing of any circumstance or occurrence jeopardizing its

certification status, or if any Notice is issued to the Contractor pursuant to 50 IAC 15-3-6(b).

C. Pursuant to I.C. 6-1.1-31.7-4, this Contract is void and the Contractor may not receive additional funds if the Contractor's certification as a Professional Appraiser is revoked.

18. Term of Contract. The Contractor shall commence work under this Contract within three (3) business days of the date of approval by the Department of Contractor's employment pursuant to this Contract. The Contractor shall complete all work to be performed under this Contract, other than assistance required in regard to an appeal filed under I.C. 6-1.1-15, before July 1, 2009.

19. Contract Reports and Monitoring.

A. The Contractor shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Contract. Contractor shall make such materials available at its office at all reasonable times during this Contract, and for three (3) years from the date of final payment under this Contract, for inspection by the Department or its authorized designees. Copies shall be furnished at no cost to the Department if requested.

B. The Contractor shall provide written progress reports to the Assessor and Board of County Commissioners in a form reasonably prescribed by the Assessor. The reports must include the number of parcels being reviewed by the Contractor and the status of the work being done. The Assessor and Board of County Commissioners may require additional information be included in the reports. The Contractor shall submit the reports to the Assessor, within three (3) business days of receipt of a request. Report shall normally be provided by the Contractor to the Assessor via email for the preceding month by the fifth (5th) day of the following month.

C. The Assessor and Board of County Commissioners may at all times inspect the records of the Contractor to verify the progress and evaluate the quality of work performed. The Assessor and members of the Board of County Commissioners may accompany the Contractor's personnel in their assigned duties to assure the Contractor's adherence with contractual specifications and approved procedures. The Contractor shall extend its full cooperation to the Contract Representative by providing access to all program related records, and by making personnel available upon request for the purpose of monitoring quality, performance and progress.

D. As required by I.C. 6-1.1-4-19.5(b)(7) the Contractor shall give unrestricted access to his/her/its work product to the Department and to LSA.

20. Work Standards. The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the Assessor becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the Assessor may request in writing the replacement of any or all such individuals, and the Contractor shall grant such request.

21. Changes in Work. The Contractor shall not commence any additional work or change the scope of the work until authorized in writing by the Assessor. Contractor shall make no claim for additional compensation in the absence of a prior written approval and amendment executed by all signatories hereto. This Contract may only be amended, supplemented or modified by a written document executed in the same manner as this Contract.

22. Authority to Bind Contractor. The signatory for the Contractor represents that he/she has been duly authorized to execute this Contract on behalf of the Contractor and has obtained all necessary or applicable approvals to make this Contract fully binding upon the Contractor when his/her signature is affixed, and accepted by the Assessor and the Department.

23. Confidentiality of Information

A. The Contractor understands and agrees that data, materials, and information disclosed to the Contractor may contain confidential and protected information. The Contractor covenants that data, material and information gathered, based upon or disclosed to the Contractor for the purpose of this Contract, will not be disclosed to or discussed with third parties without the prior written consent of the Assessor and the Department.

B. The parties acknowledge that the services to be performed by Contractor for the Assessor under this Contract may require or allow access to data, materials, and information containing Social Security numbers maintained by the Assessor or the State of Indiana in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Contractor and the Assessor agree to comply with the provisions of I.C. 4-1-10 and I.C. 4-1-11. If any Social Security number(s) is/are disclosed by Contractor, Contractor agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.

24. Ownership of Documents and Materials. All documents, records, programs, data, film, tape, articles, memoranda, and other materials not developed or licensed by the Contractor prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and the Contractor transfers any ownership claim to the Assessor and the Department and all such materials will be the property of the Assessor and the Department. Use of these materials, other than related to contract performance by the Contractor, without the prior written consent of the Assessor and the Department, is prohibited. During the performance of this Contract, the Contractor shall be responsible for any loss of or damage to these materials developed for or supplied by the Assessor or the Department and used to develop or assist in the services provided while the materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. The Contractor shall provide the Assessor and the Department full, immediate, and unrestricted access to the work product during the term of this Contract.

25. Delays.

A. Whenever the Contractor or the Assessor have knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, they shall within five (5) business days provide written notice of the delay to the other party by certified mail, return receipt requested, including all relevant information with respect to the actual or potential cause of the delay.

B. In the event of a delay by the Department of Local Government Finance, legislative action or court rulings, the Assessor reserves the right to re-negotiate all terms of the Contract including costs.

26. Disputes.

A. Should any disputes arise with respect to this Contract, the Contractor and the Assessor agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under this Contract that are not affected by the dispute. Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the Assessor or the Contractor as a result of such failure to proceed shall be borne by the Contractor.

C. If a party to this Contract is not satisfied with the progress toward resolving a dispute, the party must notify in writing the other party of this dissatisfaction. Upon issuance of written notice, the parties have ten (10) working days, unless the parties mutually agree to extend this period, following the notification, to resolve the dispute. If the dispute is not resolved within ten (10) working days, a dissatisfied party shall submit the dispute in writing according to the following procedure:

The parties agree to resolve such matters through submission in writing of their dispute to the Commissioner of the Department of Local Government Finance. The Commissioner shall reduce a decision to writing and mail or otherwise furnish a copy thereof to the Contractor and the Assessor within ten (10) working days after presentation of such dispute for action. The presentation may include a period of negotiations, clarifications, and mediation sessions and will not terminate until the Commissioner or one of the parties concludes that the presentation period is over. The Commissioner's decision shall be final and conclusive unless either party mails or otherwise furnishes to the Commissioner, within ten (10) working days after receipt of the Commissioner's decision, a written appeal. Within ten (10) working days of receipt by the Commissioner of a written request for appeal, the decision may be reconsidered. If no reconsideration is requested within ten (10) working days, the parties may mutually agree to submit the dispute to arbitration or mediation for a determination. If a party is not satisfied with the Commissioner's ultimate decision, the dissatisfied party, may submit the dispute to an Indiana court of competent jurisdiction.

The Assessor may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the Assessor to the Contractor of one

or more invoices not in dispute in accordance with the terms of this Contract will not be cause for Contractor to terminate this Contract, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

27. Termination for Convenience By Assessor. This Contract may be terminated, in whole or in part, by the Assessor or the Department whenever, for any reason, the Assessor or the Department determines that such termination is in its best interest. Termination of services shall be effected by delivery to the Contractor of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. In addition to the termination fee described in paragraph 13 of this Contract, the Contractor shall be compensated for services properly rendered prior to the effective date of termination. The Assessor will not be liable for services performed after the effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the maximum limit of this Contract or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date.

28. Termination for Default by Assessor. If the Assessor, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Contract, the Contractor may cancel and terminate this Contract and institute the appropriate measures to collect monies due up to and including the date of termination.

29. Audits. The Contractor acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with I.C. 5-11-1, *et. seq.* and audit guidelines specified by the State.

30. Compliance with Laws.

A. The Contractor shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations there under after execution of this Contract shall be reviewed by the Assessor and the Contractor to determine whether the provisions of this Contract require formal modification.

B. The Contractor certifies by entering into this Contract that neither it nor its principal(s) is/are presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana or Lake County. The Contractor agrees that any payments currently due to the State of Indiana or Lake County may be withheld from payments due to the Contractor. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until the Contractor is current in its payments and has submitted proof of such payment to the State of Indiana.

C. The Contractor certifies, warrants and represents that it has no current, pending or outstanding criminal, civil or enforcement actions initiated by the State of Indiana or

Lake County, and that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State of Indiana or Lake County. Contractor agrees that it will immediately notify the Assessor and the Department of any such actions and during the term of such actions, the Assessor or the Department may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Contract.

D. If a valid dispute exists as to the Contractor's liability or guilt in any action initiated by the State of Indiana or its agencies or Lake County, the Assessor may delay, withhold, or deny work to the Contractor.

E. The Contractor warrants that the Contractor shall obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the Assessor. Failure to do so may be deemed a material breach of this Contract and grounds for immediate termination and denial of further work with the Assessor.

F. The Contractor affirms that, if it is an entity described in I.C. Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.

31. Taxes. The Assessor is exempt from most state and local taxes and many federal taxes. The Assessor and the Department will not be responsible for any taxes levied on the Contractor as a result of this Contract.

32. Independent Contractor.

A. The parties hereto, in the performance of this Contract, shall act in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subcontractors of the other party.

B. The Contractor shall be responsible for providing all necessary unemployment and workers' compensation insurance for the Contractor's employees.

33. Contractor Assignment, Successors and Subcontracting. The Contractor shall not assign or subcontract the whole or any part of this Contract. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the Contract Representative, provided that the Contractor gives written notice (including evidence of such assignment) to the Contract Representative thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

34. Force Majeure. In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract.

35. General Provisions.

A. Entire Agreement. This Contract sets forth the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior oral and written agreements and understanding between the Assessor and the Contractor. No representation, promise, inducement, or statement of intention has been made by either party which is not set forth in this Contract and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not so set forth.

B. Waiver of Rights. No right conferred on either party under this Contract shall be deemed waived, and no breach of this Contract excused, unless such waiver is in writing and signed by the party claimed to have waived such right. Neither the Assessor's review, approval or acceptance of, nor payment for, the services required under this Contract shall be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and the Contractor shall be and remain liable to the Assessor and the Department in accordance with applicable law for all damages to the Assessor or the Department caused by the Contractor's negligent performance of any of the services furnished under this Contract.

C. Severability. In the event that one or more of the provisions contained in this Contract shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions contained in this Contract. If any provisions contained in this Contract shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it then shall appear.

D. Amendment. No supplement, modification or amendment of this Contract will be binding unless in writing and executed by all of the parties that are signatories to the Contract.

36. Governing Law. This Contract shall be subject to and interpreted in accordance with the law of the State of Indiana and suit, if any, shall be brought in Indiana courts.

37. Notice to Parties. Whenever any notice, statement or other communication, including changing contact information, is required under this Contract, it shall be sent to the following addresses, unless otherwise specifically advised.

- A. Notices to the Assessor shall be sent to:
Name: The Honorable Paul Karras
Title: Lake County Assessor
Organization: Lake County Indiana
Address: 2293 N. Main Street
Crown Point, IN 46307.
Tele: 219-755-3100
Fax: 219-755-3022
Email: stonessx@lakecountyin.org
- B. Notices to the Contractor shall be sent to:
Name: Frank Kelly, President
Organization: Nexus Group
Address: 2021 E. 52nd Street, Suite 106
Indianapolis, IN 46205
Work tel: 317-753-0004
Email: frank@nexustax.com
- C. Notices to the Department shall be sent to:
General Counsel
Department of Local Government Finance
Indiana Government Center North
400 North Senate Avenue, Rm. 1058B
Indianapolis, Indiana 46204
317-233-6770 voice
317-232-8779 fax
Email: trushenberg@dglf.in.gov

38. Maintaining a Drug-Free Workplace. The Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Contractor will give written notice to the Assessor and the Department within ten (10) days after receiving actual notice that the Contractor or an employee of the Contractor in the State of Indiana has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the Assessor or the Department, and through it, the State, for up to three (3) years. In addition to the provisions of the above paragraphs, if the total contract amount set forth in this Contract is in excess of \$25,000.00, the Contractor hereby further agrees that this Contract is expressly subject to the terms, conditions, and representations of the following certification:
This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. No award of a contract shall be made, and no contract, purchase order or agreement, the total amount of which exceeds \$25,000.00, shall be valid, unless

and until this certification has been fully executed by the Contractor and made a part of the contract or agreement as part of the contract documents.

The Contractor certifies and agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;
- B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;
- C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D. Notifying the Assessor and Department in writing within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction.
- E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

39. Indemnification. The Contractor agrees to indemnify, defend, and hold harmless Assessor and the Department, their agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Contractor and/or its subcontractors, if any, in the performance of this Contract. Assessor and the Department shall not provide such indemnification to the Contractor.

40. Insurance.

A. The Contractor shall carry the following insurance coverage(s) in the amounts as follows:

General (Professional) Liability Policy

Erie Insurance Group : Policy #Q25 0101611 R

Coverage Limits are: \$1,000,000 per occurrence, including personal and advertising injury limits; general aggregate limit of \$2,000,000

Worker's Compensation:

Erie Insurance Group : Policy #Q85 0104943 R

Coverage limits are: \$100,000 for bodily injury by accident

B. The Contractor's insurance coverage must meet the following additional requirements:

- (1) The insurer must have a certificate of authority issued by the Indiana Department of Insurance.
- (2) Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Contractor.
- (3) The Assessor and the Department will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the Assessor and the Department under this Contract shall not be limited by the insurance required in this Contract.
- (4) The insurance required in this Contract, through a policy or endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days prior written notice to the undersigned Assessor and Department.

C. Failure to provide insurance as required in this Contract may be deemed a material breach of contract entitling the Assessor or the Department to immediately terminate this Contract. The Contractor shall furnish a certificate of insurance and all endorsements to the Assessor and the Department before the commencement of this Contract.

41. Nondiscrimination. Pursuant to the Indiana Civil Rights Law, specifically including I.C. 22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Contractor covenants that it shall not discriminate against any employee or applicant for employment relating to this Contract with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee or applicant's: race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). Furthermore, Contractor certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services.

42. Travel. No expenses for travel will be reimbursed unless specifically permitted under the scope of services or consideration provisions.

43. Copy of Contract to Department of Local Government Finance. The County Assessor shall provide to the Department of Local Government Finance a copy of the

executed contract, including documentation of the performance bond, within forty-five (45) days of the contract's execution.

NON-COLLUSION AND ACCEPTANCE

The undersigned attests, subject to the penalties for perjury, that he/she is the Contractor, or that he/she is the properly authorized representative, agent, member or officer of the Contractor, that he/she has not, nor has any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Contract other than that which appears upon the face of this Contract.

In Witness Whereof, the Contractor and the Assessor have, through their duly authorized representatives, entered into this Contract. The parties, having read and understood the foregoing terms of this Contract, do by their respective signatures dated below hereby agree to the terms thereof.

Contractor: Nexus Group, Inc

By: 

Printed Name: Frank S. Kelly

Title: President, Nexus Group, Inc.

Date: 10/10/08

Level II County Assessor/Appraiser Student ID #: 1625

(Assessor:)

By: 

Printed Name: Paul G. Karras

Title: Lake County Assessor

Dated: 10-18-08

Lake County Board of County Commissioners

By: _____ Dated: _____
Commissioner

By: *Bonnie Alley* Dated: 10/8/08
Commissioner

By: *Larry Schuch* Dated: 10-8-08

Department of Local Government Finance:
Pursuant to I.C. 6-1.1-4-17(a) Approves the
Employment of Contractor

By: *Cheryl A. W. Mungro*

Printed Name: Cheryl A. W. Mungro

Title: Commissioner, DLGF

Date: 10-30-08 (Effective Date)

Work Plan & Timeline for Trending of 2008 Real Property Assessed Values

<u>Target Completion Date</u>	<u>Activity</u>
October 31, 2008	Conversion errors from SABRE ® to Proval ® CAMA systems are corrected. *This is the responsibility of the respective township and/or County Assessors*
October 31, 2008	All 2008 new construction is site inspected, data collected and entered into the system. *All townships or county assessor responsible for this work*
October 31, 2008	Selected RES and COMM neighborhoods are site-reviewed, re-delineated and neighborhood codes are changed in the CAMA system, as applicable
October 31, 2008	Entry of all 2006 and 2007 SDF's is complete. SDF's inspected for validity.
November 7, 2008	Extract report of current (pre-trended) assessed values from the CAMA system
November 21, 2008	Reports provided to Township and/or County on possible errors and for parcels with significant differences between current AV and sales price, or prior AV. Additional "outlier" and/or conversion error reports
December 15, 2008	Revised land values and/or methods (sf, front foot or acreage) are determined and entered to land tables in Proval ®. Influence factors are applied on a case-by-case basis
January 15, 2009	Trended improvement values, market adjustment factors are computed for all improved property (RES, AG, COMM, IND). Data made available to the County Assessor for review. Values extracted for sales ratio study.
February 25, 2009	Conduct ratio study to ensure that trended values are within state guidelines. Adjust values and/or property classes as needed.
March 1, 2009	Submit 2008 ratio study to the DLGF. *Note: DLGF requires that the following databases be compliant in order to review and approve the study - 2006 Sales, 2007 Sales, 2007 real property, 2008 abstract.

March 15, 2009

All trended values are compared against pre-trended values for percent changes. Previously appealed property is reviewed to determine which value applies for 2007.

Roll final 2007 AV's to County Auditor *County responsible*

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



October 24, 2008

Indiana Department of Local Government Finance

Attn: Timothy J. Rushenberg
100 N. Senate, N-1058B
Indianapolis, IN 46204

RE: Signature for Trending Contract

Dear Mr. Rushenberg

Attached is a copy of the trending contract that needs a signature for the DLGF, Pursuant to I.C. 6-1.1-4-17(a) Approves the Employment of Contractor, and then returned to the Lake County Auditor's Office in original form. The Lake County Commissioners has signed this contract and so has Frank Kelly President of Nexus Group, Inc.

Sincerely,

Marian Redmond-Ivey
L.C. Board of Commissioners Secretary